

Choice Scholarships

Background & Implications

June 30, 2011

Context

- Required to have the Choice Scholarship program ready for the 2011-2012 school year
- Enrollment capped at 7,500 students for 2011-2012; 15,000 students for 2012-2013
- Household income may not exceed 50% above cutoff for Reduced Lunch (roughly \$62k for a family of four)
- FAQ document on IDOE's *Putting Students First* page
- IDOE accepting school applications right now; will accept student applications in early July

Program Details

- Most students would not be eligible until 2nd grade
- Parent and school will jointly sign a 'distribution endorsement' form before any payments are made
- Payments will be made in October and February. Timing will allow IDOE to run the STN data internally after Count Date
- IDOE required to do a special distribution via regular funding formula of net savings to the state from the program

Program Details

- Eligible individual
 - must have spent past two semesters in an Indiana public school, unless they received a School Scholarship (i.e. tax credit scholarship) in the previous year
 - has legal settlement in Indiana;
 - is at least 5 yrs of age and less than 22 yrs of age;
 - either has been or is currently enrolled in an accredited school; and
 - meets household income requirements.

Choice Scholarship calculation

- The scholarship is the lesser of three amounts:
 - Tuition and fees at the participating school;
 - \$4,500 for grades 1-8; or,
 - An amount based off the per-student state funding for the student's school corporation of legal settlement, determined as follows:
 - 90% of funding formula amount if the household income is up to 100% of Reduced Lunch eligibility (approx. \$41,000 for a family of four)
 - 50% of formula amount if household income is up to 150% of Reduced Lunch eligibility (approx. \$61,000 for a family of four)

Choice Scholarship

- If an eligible student enrolls in an eligible school for less than one year, the choice scholarship provided for that school year is prorated to reflect the shorter school term.

Implications

- A-F metrics will be the same for all schools (traditional public, public charter, Choice Scholarship participants); will be public
- HEA 1001 requires Choice Scholarship savings to be put back into the funding formula via a special distribution...but this distribution is not weighted towards which corporations lose students to the Choice Scholarship program
- Could be some requests for student attendance records, since participating schools will play a significant role in determining eligibility. Please try to be helpful. (We will try to catch some of these queries by pointing schools to IDOE's STN lookup)
- Formal rulemaking done by IDOE, not State Board. As Year 1 of the program evolves, we will build off the lessons accordingly.
